

Standard Chartered Bank Ghana PLC

Unaudited Financial Statements for the period ended 30 June 2021



Unaudited statement of comprehensive income for the period ended 30 June 2021

	June 2021 GH¢'000	June 2020 GH¢'000
Interest income	385,799	359,883
Interest expense	(77,918)	(70,566)
Net interest income	307,881	289,317
Fees and commission income	82,310	83,185
Fees and commission expense	(5,770)	(5,929)
Net fee and commission income	76,540	77,256
Net trading income	156,653	117,205
Net income from other financial instruments carried at fair value	(2,920)	(6,565)
Total other and trading income	153,733	110,640
Operating income	538,154	477,213
Net impairment recovery/(charge) on financial assets	10,130	(7,114)
Operating income net of impairment charges	548,284	470,099
Personnel expenses	(115,637)	(101,580)
Operating lease expenses	(34)	(483)
Depreciation and amortisation	(17,269)	(16,937)
Other expenses	(45,893)	(53,307)
Total operating cost	(178,833)	(172,307)
Profit before income tax	369,451	297,792
Levy:		
Financial sector recovery levy	(10,220)	-
National fiscal stabilization levy	(18,473)	(14,890)
Total Levies:	(28,693)	(14,890)
Income tax expense:		
Corporate tax	(92,363)	(74,448)
Total levy and corporate tax	121,056	89,338
Profit after tax and levies:	248,395	208,454
Basic earnings per share (Ghana Cedis per share)	1.84	1.54
Diluted earnings per share (Ghana Cedis per share)	1.84	1.54

Unaudited statement of financial position at 30 June 2021

	June 2021 GH¢'000	June 2020 GH¢'000
Assets		
Cash and cash equivalents	2,882,245	2,272,766
Derivative assets held for risk management	1,957	9,667
Non-pledged trading assets	619,931	96,408
Loans to other banks	172,878	200,000
Loans and advances to customers	1,837,789	1,796,372
Investment securities	2,961,307	2,817,161
Current tax assets	27,263	7,415
Property, plant and equipment	245,389	267,286
Equity investment	1,001	1
Other assets	553,415	905,537
Total assets	9,303,175	8,372,613
Liabilities		
Deposits from other financial institutions	759,214	362,913
Deposits from customers	5,954,844	5,367,677
Borrowings	86,439	396,718
Derivative liabilities held for risk management	7,937	9,460
Deferred tax liability	9,978	23,488
Provisions	77,867	52,270
Other liabilities	885,915	732,552
Total liabilities	7,782,194	6,945,078
Shareholders' funds		
Stated capital	400,000	400,000
Income surplus	414,256	495,675
Reserve fund	513,611	370,122
Credit risk reserve	149,322	138,518
Other reserves	43,792	23,220
Total shareholders' funds	1,520,981	1,427,535
Total liabilities and shareholders' funds	9,303,175	8,372,613

Unaudited statement of cash flows for the period ended 30 June 2021

	June 2021 GH¢'000	June 2020 GH¢'000
Cash flows from operating activities		
Profit before tax for the period	369,451	297,792
Adjustments for:		
Depreciation and amortisation	17,269	16,937
Impairment on financial Assets	(10,130)	7,114
Net interest income	(307,881)	(289,317)
Unrealised exchange gains/loss on trading	42,946	70,257
Effect of exchange	57,564	(39,027)
	169,219	63,756
Change in:		
Trading assets	(256,623)	(139,590)
Derivate assets held for risk management	3,718	4,167
Loans to other banks	(157,878)	(83,792)
Loans and advances to customers	(142,576)	(32,820)
Other assets	(107,436)	(132,937)
Derivate liabilities held for risk management	7,776	4,078
Deposits from customers	(203,217)	(51,627)

Unaudited statement of cash flows for the period ended 30 June 2021 (cont'd)

	June 2021 GH¢'000	June 2020 GH¢'000
Deposits from banks	674,234	247,869
Other liabilities and provisions	(529,124)	(755,697)
	(541,907)	(876,593)
Interest received	379,893	343,802
Interest paid	(77,203)	(46,319)
Income tax paid	(87,462)	(33,505)
Net cash generated from operating activities	(326,679)	(612,615)
Cash flows in investing activities		
Purchase of investment securities	(1,764,512)	(1,244,915)
Sale/redemption of investment securities	2,306,282	1,501,898
Purchase of Property, plant and equipment	-	1,373
Net cash used in investing activities	541,770	258,356
Cash flows from financing activities		
Dividend paid	-	(822)
Net cash used in financing activities	-	(822)
Net increase in cash and cash equivalents	215,091	(355,081)
Effect of exchange fluctuation on cash held	(57,564)	39,027
Cash and cash equivalents at 1 January	2,724,718	2,588,820
Cash and cash equivalents at 30 June	2,882,245	2,272,766

Unaudited statement of changes in equity for the period ended 30 June 2021

2021	Stated capital GH¢'000	Income surplus GH¢'000	Reserve fund GH¢'000	Credit risk reserve GH¢'000	Other reserves GH¢'000	Total GH¢'000
Balance at 1 January 2021	400,000	440,014	513,611	109,518	3,661	1,466,804
Movement during the period						
Profit for the period	-	248,395	-	-	-	248,395
Proposed dividend declared	-	(232,700)	-	-	-	(232,700)
Preference dividend payable	-	(1,649)	-	-	-	(1,649)
Transfer to credit reserve	-	(39,804)	-	39,804	-	-
FVOCI-debt instruments	-	-	-	-	40,131	40,131
As at 30 June 2021	400,000	414,256	513,611	149,322	43,792	1,520,981
2020	Stated capital GH¢'000	Income surplus GH¢'000	Reserve fund GH¢'000	Credit risk reserve GH¢'000	Other reserves GH¢'000	Total GH¢'000
Balance at 1 January 2020	400,000	317,043	370,122	109,518	(29,823)	1,166,860
Movement during the period						
Profit for the period	-	208,454	-	-	-	208,454
Dividend paid	-	(822)	-	-	-	(822)
Transfer to credit reserve	-	(29,000)	-	29,000	-	-
FVOCI-debt securities	-	-	-	-	53,043	53,043
As at 30 June 2020	400,000	495,675	370,122	138,518	23,220	1,427,535

The financial statements presented in this publication are extracts from the unaudited financial statements for the period ended 30 June 2021, which are available for inspection at the Head Office of Standard Chartered Bank Ghana PLC located on the No. 87 Independence Avenue, Accra.

Notes to the unaudited financial statements for the period ended 30 June 2021

1. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) and are consistent with those applied in the preparation of the annual consolidated financial statements.

2. Quantitative disclosures

	June 2021	June 2020
i. Capital requirement directive (CRD) (%)	24.19	30.58
ii. CET 1 (%)	22.00	28.33
iii. Tier 1 (%)	22.19	28.58
iv. Leverage ratio (%)	9.37	9.84
v. Non-performing loan (NPL) ratio (%) - Gross basis	23.16	24.19
vi. Non-performing loan (NPL ratio less loss category) (%)	5.53	7.67
vii. Liquidity ratio (%)	79.34	90.66

3. Qualitative disclosures

i. The Bank's dominant risks are: credit risk, liquidity risk, market risk, and operational risk.

ii. The Bank's Risk Management Framework, defines the approach to risk management and the framework within which risks are managed and risk-return tradeoffs made. The risk management framework establishes common principles & standards for the management and control of all risks, provides a shared framework and language to improve awareness of risk management processes and provides clear accountability and responsibility for risk management. The core components of the risk management framework include our risk classifications, risk principles and standards, definitions of roles and responsibilities and governance structure.

The processes followed in risk measurement and their management for the period ended 30 June 2021 are consistent with those followed for the year ended 31 December 2020.

4. Defaults in statutory liquidity and accompanying sanctions

	2021	2020
i. Default in statutory liquidity (times)	Nil	Nil
ii. Sanctions (GH¢)	Nil	Nil

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge"

Signed
Mansa Nettey
Director

Signed
Kweku Nimfah-Essuman
Director